

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6334-01
Bill No.: Perfected HB 2079
Subject: Sewers and Sewer Districts; Water Resources and Water Districts; Utilities
Type: Original
Date: April 23, 2014

Bill Summary: This proposal authorizes sewer corporations to contract with water districts or municipalities to terminate water service for non-payment of a sewer bill.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§67.313 - Imposing a fee on certain lateral sewer service lines

In response to similar legislation (HB 1230), officials at the **City of Kansas City** assume if the maximum amount of \$4 were approved by voters, it could bring in approximately \$6.7 million dollars annually. These funds, however, would have to be set aside and used for repair of private lines, and would not be available as additional revenue. Assuming the City could put a program in place to handle the work, the money would likely be spent on repair during the year received, and would not result in any surplus funds. The overall impact would be revenue neutral. Care must be taken to ensure that the City's obligation under the program would not exceed the money actually collected. No additional revenue would be gained. Costs incurred by the City but not covered due to this limitation would have to be covered by shifting the burden for those costs to other ratepayers.

Savings, if any, would be the result of a program with sufficient volume to cause a decrease in the cost of the work. There is no way to quantify this amount at this time, or to guarantee that it will occur. The costs to the City's sewer system will not change with passage of this proposal.

In response to similar legislation (HB 1230), officials at the **Office of the State Treasurer**, the **Department of Economic Development's Public Service Commission** and the **Office of Public Counsel**, the **Office of the Secretary of State** and the **Department of Natural Resources** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **Metropolitan St. Louis Sewer District** assume no fiscal impact from this proposal.

In response to similar legislation (HB 1230), officials at the **City of Columbia**, the **Platte County Board of Election Commission**, the **Cole County Public Water Supply District Number 3**, the **St. Louis County Board of Election Commission**, the **City of Jefferson**, the **Northwest Missouri Regional Council of Governments** and the **Kansas City Board of Election Commission** each assume no fiscal impact to their respective organizations from this proposal.

Oversight assumes part of this proposal is permissive in nature and would have no local fiscal impact without action by a governing body and approval by a majority of voters. Oversight will reflect a \$0 impact to local political subdivisions.

§393.015 - Non-payment of a sewer bill

Officials at the **City of Jefferson**, the **City of Columbia**, the **City of Kansas City**, the **Metropolitan St. Louis Sewer District** and the **Cole County Public Water District Number 3** each assume no fiscal impact to their respective organizations from this proposal.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials at the following board of election commissions: St. Louis City Board of Election Commission, Clay County Board of Election Commission and Jackson County Board of Election Commission did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

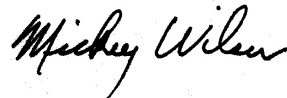
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

City of Jefferson
City of Columbia
City of Kansas City
Metropolitan St. Louis Sewer District
Cole County Public Water District Number 3
Office of the State Treasurer
Department of Economic Development
 Public Service Commission
 Office of Public Counsel
Office of the Secretary of State
Department of Natural Resources
Platte County Board of Election Commission
St. Louis County Board of Election Commission
Northwest Missouri Regional Council of Governments
Kansas City Board of Election Commission



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April 23, 2014

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